

MR. S. PIRAVIPERUMAL PILLAI (*Commerce and Industry, South*):
Sir,—

PRESIDENT: You are out of time, Mr. Piraviperumal Pillai.

MR. S. PIRAVIPERUMAL PILLAI (*Commerce and Industry, South*):
Shall we resume general discussion of the Budget?

PRESIDENT: I thought you stood up for asking supplementary questions, because the last question had not been quite finished and the question just previous to it was in your name.

MR. A. S. DAMODARAN ASAN (*Mavelikara cum Kartikapalli*): I beg to bring a point of order for a ruling from the Chair. The question I raise is whether members are entitled to discuss the question of income from railways at the general discussion of the Budget. It is a very important matter and so we would like to speak upon it. I wish to draw the attention of the President to the provisions in the Legislative Council Regulation and the Rules framed thereunder. Section 16 (2) relates to the general discussion of the Budget. It says: "The Council may deal with the Budget.....".

MR. T. C. KESAVA PILLAI (*Kalkulam cum Vilavankod*): I rise to a point of order, Sir, Mr. Asan has had his opportunity to speak on the general discussion of the Budget; and now he is simply taking away the time of the non-official side by raising this point of order.

MR. A. S. DAMODARAN ASAN (*Mavelikara cum Kartikapalli*): According to Rule 26 of the Legislative Council Rules I am entitled to raise a point of order at any time.

MR. T. C. KESAVA PILLAI (*Kalkulam cum Vilavankod*): My point is, Mr. Asan has had his chance. And so he does not care if the time allotted for general discussion is wasted.

PRESIDENT: I believe Mr. Asan has got a right to raise a point of order at any time. And this is a point of order which may be said to arise in the course of the general discussion of the Budget which is not yet over. I think, therefore, Mr. Asan is in order in raising that point.

MR. A. S. DAMODARAN ASAN (*Mavelikara cum Kartikapalli*): Section 16 (2) of the Regulation says: "*the Council may deal with the Budget subject to such restrictions as to subject and other matters as may be imposed by Our Government by rules made under this Regulation*"; and the only rule as regards the general discussion of the Budget is Rule 48 of the Legislative Council Rules. There it is stated that "*On a day appointed by the Dewan subsequent to the day on which the Budget is presented and for such time as the Dewan may allot, the Council shall be at liberty to discuss the Budget as a whole or any question of principle involved therein; but no motion shall be moved at this stage nor shall any member be entitled to divide the Council in respect of any such discussion on the Budget.*" These are the only provisions in the Regulation and Rules which restrict the rights and liberties of the members in the general discussion of the Budget.

And then, Sir, it could be seen that the discussion of matters relating to railways has been allowed in this Council in earlier Sessions without any obstruction from the official side or from the President. A reference to Vol. III of the Travancore Legislative Council Proceedings will convince you, Sir, that during the general discussion of the Budget, Mr. John Mackie referred exclusively to the railway policy; and the Government member replied to his criticisms on the railways. This could be seen by referring to pages 199 to 201 of Vol. III of the Travancore Legislative Council Proceedings. Sir, the only provision which says anything by way of prohibition of the reference to matters affecting railways is Section 16 (4) which refers exclusively to the proposal for the appropriation of revenues. And, there also, it is stated that the proposal for appropriation of revenues shall not be subjected to the vote of the Council nor shall that be open to discussion by the Council when the Budget is under consideration. So, that restriction applies only at the time of the proposal of the Government for *appropriation of revenues*. Part (i) of Sub-Section (4) only refers to expenditure relating to any matter removed from the cognisance of the Council by Section 11 of the Regulation. So, that relates only to *expenditure* on matters removed from the cognisance of the Council.

My submission, Sir, in regard to railways is that the Regulation and the Rules give complete power to the members of the Council to discuss railway matters at the general discussion of the Budget. And, as regards these Rules which relate to the rights and liberties of the House, I request, they should be liberally construed so as not to deprive members of rights vested in them according to the Rules. Sir, I appeal to you as the guardian of the rights and privileges of this House to give a ruling in order to entitle the members to discuss matters relating to railways a...

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): The question that has been raised by Mr. Asan has been sprung upon me without any notice though some notice was possible. From my memory, however, I may say that this matter has come up for consideration before this House so early as during the time of President Mr. Raghaviah. And he has ruled specifically that such matters are not open to *discussion*. That ruling is amply supported by Sub-Section 4 of Section 16 of the Regulation referred to by Mr. Asan. It clearly says that expenditure relating to matters referred to in Section 11 of the Regulation should not be open to discussion.

MR. A. S. DAMODARAN ASAN (*Mavelikara cum Kartikapalli*): Does the member admit that *income* from any item referred to in Section 11 can be discussed in the Council?

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): No. I think that *income* also, when it relates to matters referred to in Section 11, should not be discussed.

MR. A. S. DAMODARAN ASAN (*Mavelikara cum Kartikapalli*): Does the member admit that Sub-Section (4) relates only to proposals for the appropriation of revenues?

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): No, I do not admit that. That sub-Section clearly states:

'Nor shall they be open to discussion by the Council when the budget is under consideration'. And now the Budget is under consideration; therefore these matters are not open to discussion.

MR. A. S. DAMODARAN ASAN (*Mavelikara cum Kartikapalli*): Does not the member think that the word "*they*" after "*nor shall*" refers to the proposals for appropriation?

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): No, I do not think so. This is what Sub-Section (4) says:

"The proposals of Our Government for the appropriation of revenues or moneys relating to the following matters....., nor shall *they* be open for discussion by the Council when the Budget is under consideration :—"

MR. A. S. DAMODARAN ASAN (*Mavelikara cum Kartikapalli*): What does '*they*' denote?

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): "*They*" refers to the "*following matters*" obviously.

Since, however, the question raised is practically a settled question, Sir, I do not see how it arises now for further consideration.

PRESIDENT: Can you refer me to the ruling you mentioned, Mr. Paramesvaran Pillai?

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): Yes, Sir, It occurs in Vol. I, page 199; and also in Vol. V, page 522.

MR. A. S. DAMODARAN ASAN (*Mavelikara cum Kartikapalli*): Will the learned Law Member kindly read it?

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): Vol. V, page 522?

MR. A. S. DAMODARAN ASAN (*Mavelikara cum Kartikapalli*): Does that relate to.....

PRESIDENT: Please wait, Mr. Asan. You asked him to read it; and he is going to read it.

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): The later ruling is in Vol. V. Vol. I is, of course earlier and I shall read that first. This is what took place on that occasion.

"MR. V. SUBBA AIYAR: Sir, may I rise to a point of order? The member cannot discuss the administration of the Devaswom Department."

"MR. J. JOHN NIDIRY: Sir, I am not *discussing* Devaswom administration."

"PRESIDENT: You may *refer* to it casually; but you should not *discuss* the administration of that Department in detail."

Then, in Vol. V, the President has made a general statement and I shall read that now—

"PRESIDENT: May I point out one thing to the House? Strictly speaking, it is not relevant to the discussion of the motion before the House. I may remind

the House that the questions of appointment of the Dewan and of an Executive Council are matters relating to the prerogative of the Ruler. Of course, representations made in regard to these matters are always placed before the Ruler and they are considered by the Ruler. But I do not think that they should form the subject of *discussion* in the Legislative Council. I do not mean to say that you should not refer to it at all. But to discuss it at length does not seem to be appropriate. The resolutions in regard to the appointment of an Executive Council have been disallowed by me on the ground that it is a matter which relates to the prerogative of the Sovereign."

MR. R. KESAVA PILLAI (*Kottarakara cum Kunnattur*): Is it a ruling on the point that has now been raised by Mr. Asan?

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): Yes; because it relates to the prerogative of the Sovereign which is covered by the same rule as that relating to railways.

MR. A. S. DAMODARAN ASAN (*Mavelikara cum Kartikapalli*): Will the Law Member kindly read pages 67, 74, 83, 91, 199 and 201 in Vol. III of the Proceedings of this Council?

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): I do not propose to do so now unless Mr. Asan says that those pages contain any ruling on the point at issue.

MR. A. S. DAMODARAN ASAN (*Mavelikara cum Kartikapalli*): Sir, I submit.....

PRESIDENT: Why not you say what it is about, Mr. Asan?

MR. A. S. DAMODARAN ASAN (*Mavelikara cum Kartikapalli*): As he is the Law Member I thought he would know it.

In pages 83 and 84 of Vol. III we have general discussion of the Budget by Mr. John Mackie. He refers exclusively to the railways. No point of order seems to have been raised on the ground that railways should not be brought under discussion. And other members also Mr. Padmanabha Pillai, Mr. Madhava Variar and others, have referred to railways. No point of order was raised. The ruling, rather the statement which the learned Law Member calls ruling, was made at the time when a motion was made for the reduction of a grant. It was not at the time of the general discussion of the Budget. So, I submit, that ruling does not restrict the right of discussing the question during *general discussion*.

MR. KAYALAM PARAMESVARAN PILLAI (*Additional Head Sirkar Vakil*): What Mr. Raghaviah stated was not in relation to motions alone. He himself said that it was not strictly relevant to the motion then before the House; what he did was to state a general principle, and not anything with regard specifically to any motion for reduction.

PRESIDENT: I intend to give you the substance of my ruling now. I shall give the reasons for the ruling in detail tomorrow. In regard to subjects which are included in Section 11 of the Legislative Council Regulation the proper procedure, it seems to me, is *not to discuss* them in the Council at all. But, as the ruling in Vol. I of the Legislative Council Reports shows, members are, in the course of the general discussion of the Budget, allowed, sometimes, to refer to these matters;
Vol. XV—No. 3.

[President.]

but always as a matter of indulgence on the part of the President. If the President finds that any member is entering into a *discussion* of such subjects, then, it seems to me, the President is at liberty to rule out such discussion. A *passing reference* to such subjects is sometimes allowed. *Discussion* is not allowed.

MR. MATTHEW MURIKKAN (*Vaikam*): Sir, the statement that has been placed by the Financial Secretary—

PRESIDENT: I have some little business before the continuation of the general discussion of the Budget is announced.

Before resuming the general discussion of the Budget I may tell the Council that three non-official members have to be elected for the Standing Finance Committee for 1105. The non-official members will please meet under the presidency of the Deputy President, on Thursday the 8th August soon after the Council rises in the evening, and elect three members to serve on the Committee.

The House will now resume the general discussion of the Budget.

GENERAL DISCUSSION ON THE BUDGET.

MR. MATTHEW MURIKKAN (*Vaikam*): The Financial Secretary has placed before the House a statement which shows that the Finance Department has budgeted for a revenue of Rs. 248.08 lakhs and an expenditure charged to revenue amounting to Rs. 244.94 lakhs, thus leaving a surplus of Rs. 3.14 lakhs. As the learned Deputy President remarked yesterday, I do not propose to start a controversy on the merits and demerits of a surplus Budget. Anyhow, Sir, when we scrutinise the Budget according to rules and recognised canons of public finance, I do not find much room for congratulating the Financial Secretary. The points for primary consideration in a discussion of the Budget are whether the Finance Department has suggested any means of improving the normal revenues of the State, whether it has suggested any method of reducing the expenditure, whether this expenditure is equally and evenly distributed according to the order of importance of 16 various items. Considering the Budget with, therefore, a standard I must say without hesitation that the Budget under discussion does not satisfy me. I am very sorry to find that there is no policy underlying the drafting of this Budget. I do not see any principle adopted by the Finance Department in framing this Budget. I am sorry again to see that this Budget is only a dry summary of figures and it does not suggest anything new. There are not many items which require special explanation, as the anticipation for the next year closely follows the expenditure of the current year; I must certainly give credit to the Finance Member for his honest confession. But I cannot give him credit for an efficient Budget. The Budget has been prepared just on the same lines as the current year's Budget. That is the point which I wish to bring to the notice of this House when we discuss the Budget. Sir, with regard to the first question whether the Financial Secretary